

St. Paul Fee Study



presented by
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Background

- PFM was asked to address the cost of service related to the following groups of fees:
 - General Licenses
 - Licenses related to Environmental Health
 - Trade Permits
 - Neighborhood Housing and Property Improvement
 - Fire Department: Certificate of Occupancy
 - Alarm Fees
 - Pawn Shop Fees
- PFM performed an activity based costing analysis on the above group of fees.
- In addition, PFM estimated the “Police Enforcement Cost” related to each of these different license type to account for a transfer from the LIEP fund to the General Fund.

Activity Based Costing

- Activity based costing is a process that assigns costs directly to the fees based on the major cost input – labor
- PFM conducted extensive interviews with managers to determine their estimates of time required for each fee
- Conducted a limited, 4-week time study where appropriate to help inform managers best estimates of time per fee
- For the Trade Permits data on time spent was available electronically through the AMANDA system.
- All time estimates were informed by data available in the data tracking systems (AMANDA and ECLIPSE)

Activity Based Costing

- The percentage of time spent on a given fee title was multiplied by 2006 salary data to determine the direct salary cost of each fee title.
- Rates for fringe benefits (i.e. cost for employee benefits), other costs (e.g. computers, paper, etc.), internal indirect (e.g. administrative staff time), and external indirect (i.e. central service charges) were calculated using FY 2006 budget data and then applied to each fee.
- Any other necessary adjustments were then made to the cost of the fee titles.

Overall Analysis –No Police Enforcement Costs



	Total Cost	Total Revenue	Revenue - Cost
General Licenses	\$ 940,420	\$ 1,065,631	\$ 125,211
Environmental Health	\$ 832,156	\$ 586,424	\$ (245,731)
Trade Permits	\$ 3,939,409	\$ 3,103,130	\$ (836,279)
Excessive Consumption	\$ 2,708,431	\$ 261,475	\$ (2,446,956)
Certificate of Occupancy	\$ 922,223	\$ 869,696	\$ (52,526)
Alarm Fees	\$ 1,487,171	\$ 198,434	\$ (1,288,737)
Pawn Shop Fees	\$ 227,617	\$ 155,878	\$ (71,739)



LIEP – General Licenses Cost of Service Analysis

- Cost of service calculations for the general license components studied in the Office of LIEP show a total cost of \$940,420, inclusive of all salaries and applicable rates.

Fee Title	Total Cost (without Police Cost)	Police Cost	Total Cost (including Police Cost)	Revenue	Total Cost (without Police Cost) Per Unit/ Fee Per Unit	Police Cost Per Unit/ Fee Per Unit	Total Cost Per Unit/ Fee Per Unit
On Sale Liquor - Over 200 Seats	\$ 174,442	\$ 63,927	\$ 238,369	\$ 221,413	0.77	0.28	1.05
On Sale Liquor - Over 100 Seats	\$ 159,205	\$ 95,890	\$ 255,096	\$ 180,731	0.86	0.52	1.37
On Sale Liquor - 100 Seats or Less	\$ 150,942	\$ 175,799	\$ 326,741	\$ 193,941	0.76	0.89	1.66
On Sale Wine	\$ 92,829	N/A	\$ 92,829	\$ 110,219	0.84	N/A	0.84
Taxicab	\$ 77,374	N/A	\$ 77,374	\$ 61,947	1.25	N/A	1.25
Cigarettes	\$ 52,862	N/A	\$ 52,862	\$ 133,305	0.40	N/A	0.40
Entertainment Class A	\$ 33,377	\$ 371,133	\$ 404,510	\$ 8,626	3.85	42.76	46.60
Entertainment Class B	\$ 54,437	\$ 544,329	\$ 598,766	\$ 38,076	1.43	14.35	15.78
Entertainment Class C	\$ 272	\$ 8,247	\$ 8,520	\$ 2,500	0.11	3.30	3.41
Auto Body Repair / Painting Shop	\$ 6,825	N/A	\$ 6,825	\$ 5,148	1.33	N/A	1.33
Auto Body Repair Garage License	\$ 25,923	N/A	\$ 25,923	\$ 11,880	0.40	N/A	0.40
Auto Repair Garage	\$ 59,718	N/A	\$ 59,718	\$ 64,251	5.03	N/A	5.03
Auto Sales - Secondhand Dealer Motor Vehicle Parts	\$ 6,406	N/A	\$ 6,406	\$ 5,544	1.16	N/A	1.16
Auto Sales - Secondhand Motor Vehicle Dealer	\$ 45,806	N/A	\$ 45,806	\$ 28,049	1.63	N/A	1.63
Total	\$ 940,420	\$ 1,259,326	\$ 2,199,746	\$ 1,065,631	0.88	1.18	2.06



LIEP – Environmental Health Cost of Service Analysis

- Cost of service calculations for the Environmental Health components studied in the Office of LIEP show a total cost of \$832,156, inclusive of all salaries and applicable rates.

Fee Title	Total Cost (without Police Cost)	Police Cost	Total Cost (including Police Cost)	Revenue	Total Cost (without Police Cost) Per Unit/ Fee Per Unit	Police Cost Per Unit/ Fee Per Unit	Total Cost Per Unit/ Fee Per Unit
Restaurant A	\$ 85,518	\$ 418,066	\$ 503,584	\$ 83,128	1.03	5.02	6.05
Restaurant B	\$ 342,939	\$1,227,935	\$ 1,570,875	\$ 319,563	1.07	3.84	4.91
Restaurant C	\$ 19,347	N/A	\$ 19,347	\$ 9,750	1.98	N/A	1.98
Environmental Plan Review Fee - Restaurant A	\$ 22,664	N/A	\$ 22,664	\$ 4,786	3.81	N/A	3.81
Environmental Plan Review Fee - Restaurant B	\$ 36,762	N/A	\$ 36,762	\$ 8,788	3.36	N/A	3.36
Environmental Plan Review Fee - Restaurant C	\$ 8,206	N/A	\$ 8,206	\$ 2,815	2.34	N/A	2.34
Environmental Change of Ownership - Restaurant A	\$ 13,054	N/A	\$ 13,054	\$ 2,010	6.49	N/A	6.49
Environmental Change of Ownership - Restaurant B	\$ 23,899	N/A	\$ 23,899	\$ 7,036	3.39	N/A	3.39
Environmental Change of Ownership - Restaurant C	\$ 18,065	N/A	\$ 18,065	\$ 175	103.23	N/A	103.23
Retail Food Establishment A: 1-100 Sq. Ft.	\$ 48,659	\$ 317,173	\$ 365,832	\$ 7,988	6.06	39.52	45.59
Retail Food Establishment B: 101-1,000 Sq. Ft.	\$ 59,909	\$ 694,162	\$ 754,072	\$ 14,159	4.22	48.88	53.10
Retail Food Establishment C: 1,001-3,000 Sq. Ft.	\$ 57,915	\$1,300,494	\$ 1,358,409	\$ 51,000	1.14	25.50	26.64
Retail Food Establishment D: 3,001-6,000 Sq. Ft.	\$ 24,213	\$ 485,413	\$ 509,626	\$ 26,400	0.92	18.39	19.30
Retail Food Establishment E: 6,001-10,000 Sq. Ft.	\$ 3,527	\$ 57,787	\$ 61,314	\$ 4,500	0.78	12.84	13.63
Retail Food Establishment F: Over 10,000 Sq. Ft.	\$ 10,921	\$ 219,592	\$ 230,513	\$ 24,700	0.44	8.89	9.33
Environmental Plan Review Fee - Retail Food Establishment A	\$ 7,332	N/A	\$ 7,332	\$ 1,552	6.52	N/A	6.52
Environmental Plan Review Fee - Retail Food Establishment B	\$ 10,885	N/A	\$ 10,885	\$ 7,245	2.07	N/A	2.07
Environmental Plan Review Fee - Retail Food Establishment C	\$ 5,440	N/A	\$ 5,440	\$ 4,140	1.81	N/A	1.81
Environmental Plan Review Fee - Retail Food Establishment D	\$ 164	N/A	\$ 164	\$ 655	0.35	N/A	0.35
Environmental Plan Review Fee - Retail Food Establishment E	\$ 164	N/A	\$ 164	\$ -	N/A	N/A	N/A
Environmental Plan Review Fee - Retail Food Establishment F	\$ 9,895	N/A	\$ 9,895	\$ 2,070	6.60	N/A	6.60
Environmental Change of Ownership - Retail Food Establishment A	\$ 5,719	N/A	\$ 5,719	\$ 188	36.60	N/A	36.60
Environmental Change of Ownership - Retail Food Establishment B	\$ 8,348	N/A	\$ 8,348	\$ 1,204	8.33	N/A	8.33
Environmental Change of Ownership - Retail Food Establishment C	\$ 2,524	N/A	\$ 2,524	\$ 1,916	1.58	N/A	1.58
Environmental Change of Ownership - Retail Food Establishment D	\$ 2,215	N/A	\$ 2,215	\$ 428	6.22	N/A	6.22
Environmental Change of Ownership - Retail Food Establishment E	\$ 835	N/A	\$ 835	\$ -	N/A	N/A	N/A
Environmental Change of Ownership - Retail Food Establishment F	\$ 3,033	N/A	\$ 3,033	\$ 225	16.18	N/A	16.18
TOTAL	\$ 832,156	\$4,720,622	\$ 5,552,778	\$ 586,424	1.42	8.05	9.47

LIEP – Trade Permits Cost of Service Analysis

- Cost of service calculations for the Trade Permit components studied in the Office of LIEP show a total cost of \$3,939,409, inclusive of all salaries and applicable rates.

Permit Type	Revenue	Total Cost	Cost/Revenue
Elevator Inspections	\$ 131,437	\$ 289,232	2.20
Fireplace	\$ 23,142	\$ 45,101	1.95
Gas Burner	\$ 215,179	\$ 382,954	1.78
Electrical	\$ 787,155	\$ 1,353,856	1.72
Sign	\$ 63,333	\$ 107,548	1.70
Plastering	\$ 23,838	\$ 31,115	1.31
Warm Air	\$ 499,158	\$ 622,468	1.25
Elevator Permits	\$ 132,756	\$ 144,428	1.09
Refrigeration	\$ 154,284	\$ 163,730	1.06
Plumbing	\$ 882,461	\$ 707,636	0.80
Oil Burner	\$ 4,654	\$ 2,912	0.63
Steamfitting	\$ 175,088	\$ 87,562	0.50
Other Fuel	\$ 10,646	\$ 868	0.08
Total	\$ 3,103,130	\$ 3,939,409	1.27

NHPI – Excessive Consumption Cost of Service Analysis

- Cost of service calculations for the Excessive Consumption fee in the NHPI Department show total two year costs of \$2,708,431, inclusive of all salaries and applicable rates.

Number of Attempts	Unique Addresses	Total Attempts	Cost of Number of Attempts per Property	Total Cost for All Properties With Given Number of Attempts
1	3,604	3,604	\$ 38	\$ 136,432
2	5,273	10,546	\$ 76	\$ 399,227
3	2,464	7,392	\$ 114	\$ 279,830
4	1,795	7,180	\$ 151	\$ 271,805
5	1,109	5,545	\$ 189	\$ 209,910
6	796	4,776	\$ 227	\$ 180,799
7	610	4,270	\$ 265	\$ 161,644
8	460	3,680	\$ 303	\$ 139,309
9	340	3,060	\$ 341	\$ 115,839
10 or More	1,370	19,913	N/A	\$ 753,823
No Address given	N/A	1,580	N/A	\$ 59,812
Total	17,821	71,546		\$ 2,708,431



Fire – Certificate of Occupancy Cost of Service Analysis

- Cost of service calculations for the Certificate of Occupancy components studied in the Fire Department show a total cost of \$922,223, inclusive of all salaries, direct and indirect costs.

Fee Title	Total Cost	Total Revenue	Cost/Revenue
Renewal Residential	\$ 254,735	\$ 297,471	0.86
Renewal Commercial	\$ 346,144	\$ 216,486	1.60
Reinspection Fee - Residential	\$ 88,505	\$ 74,945	1.18
Reinspection Fee - Commercial	\$ 59,003	\$ 42,181	1.40
Referral Reinspection Fee	\$ 96,443	\$ 53,838	1.79
Partial Certificate of Occupancy	\$ 4,729	\$ 48,576	0.10
Discount Fee - Commercial	\$ 48,666	\$ 69,718	0.70
Discount Fee - Residential	\$ 15,208	\$ 48,135	0.32
No Entry Fee	\$ 8,790	\$ 18,346	0.48
Total	\$ 922,223	\$ 869,696	1.06



Police – Alarm Fees Cost of Service Analysis

- Cost of service calculations for the False Alarm fee show total costs for calls eligible for the False Alarm fee as \$467,103.

Number of Calls	Addresses with this Number of Calls (Total of 3,653)	Cost of Calls Eligible for False Alarm Fee	Cumulative Percent of Addresses	Cummulative Calls
1	2,173	N/A	59.49%	2,173
2	687	N/A	78.29%	3,547
3	292	\$51,684	86.29%	4,423
4	175	\$61,950	91.08%	5,123
5	97	\$51,507	93.73%	5,608
6	65	\$46,020	95.51%	5,998
7	39	\$34,515	96.58%	6,271
8	31	\$32,922	97.43%	6,519
9	15	\$18,585	97.84%	6,654
10	17	\$24,072	98.30%	6,824
11	15	\$23,895	98.71%	6,989
12	8	\$14,160	98.93%	7,085
13	9	\$17,523	99.18%	7,202
14	5	\$10,620	99.32%	7,272
15	7	\$16,107	99.51%	7,377
16	2	\$4,956	99.56%	7,409
17	2	\$5,310	99.62%	7,443
18	2	\$5,664	99.67%	7,479
19	2	\$6,018	99.73%	7,517
20	1	\$3,186	99.75%	7,537
21	3	\$10,089	99.84%	7,600
24	1	\$3,894	99.86%	7,624
25	1	\$4,071	99.89%	7,649
29	1	\$4,779	99.92%	7,678
30	1	\$4,956	99.95%	7,708
31	1	\$5,133	99.97%	7,739
33	1	\$5,487	100.00%	7,772
Total		\$467,103		

Note: The cost of an officer minute for alarm calls was calculated to be \$2.68. The average cost of a false alarm was estimated to be \$177 (average call length of 66 officer minutes * \$2.68 per officer minute)



Police – Alarm Fees Cost of Service Analysis

- The projected revenue, had a fee been assessed for each eligible false alarm violation, would have been approximately \$210,000 for 2006.

Number of Calls	Addresses with this Number of Calls	Fee Amount	Projected Revenue (Number of Addresses Eligible x Fee Amount)	Cost of Calls Eligible for False Alarm Fee
3	292	\$25	\$7,300	\$51,684
4	175	\$50	\$13,125	\$61,950
5	97	\$75	\$14,550	\$51,507
6	65	\$100	\$16,250	\$46,020
7	39	\$150	\$15,600	\$34,515
8	31	\$150	\$17,050	\$32,922
9	15	\$150	\$10,500	\$18,585
10	17	\$150	\$14,450	\$24,072
11	15	\$150	\$15,000	\$23,895
12	8	\$150	\$9,200	\$14,160
13	9	\$150	\$11,700	\$17,523
14	5	\$150	\$7,250	\$10,620
15	7	\$150	\$11,200	\$16,107
16	2	\$150	\$3,500	\$4,956
17	2	\$150	\$3,800	\$5,310
18	2	\$150	\$4,100	\$5,664
19	2	\$150	\$4,400	\$6,018
20	1	\$150	\$2,350	\$3,186
21	3	\$150	\$7,500	\$10,089
24	1	\$150	\$2,950	\$3,894
25	1	\$150	\$3,100	\$4,071
29	1	\$150	\$3,700	\$4,779
30	1	\$150	\$3,850	\$4,956
31	1	\$150	\$4,000	\$5,133
33	1	\$150	\$4,300	\$5,487
Total			\$210,725	\$467,103

Actual Revenue was \$32,308



Police – Alarm Fees Cost of Service Analysis

- Additionally, there are costs associated with the calls not eligible for the False Alarm fee (the first and second false alarms), which total \$908,541. These costs were added to the Alarm System Permit fee.
- The cost of administering the Alarm System Permit fee, was \$111,527, inclusive of all salaries and applicable rates.

Fee Title	Total Cost	Total Revenue	Cost/Revenue
Alarm System Permit Fee	\$ 1,020,068	\$ 166,126	6.14
False Alarm Fee	\$ 467,103	\$ 32,308	14.46



Police/LIEP – Pawn Shop Fees Cost of Service Analysis

- Cost of service calculations for the Pawn Shop License and Pawn Shop Billable Transaction Fee show a total cost of \$11,330 and \$216,287 respectively, inclusive of all salaries and applicable rates.

Fee Title	Total Cost	Total Revenue
Pawn Shop Billable Transaction Fee	\$ 216,287	\$ 138,378
Pawn Shop License	\$ 11,330	\$ 17,500

Fee Title	Total Cost	Units	Fee Per Unit	Cost Per Unit	Cost Per Unit/ Fee Per Unit
Pawn Shop Billable Transaction Fee	\$ 216,287	46,126	\$ 3	\$ 4.69	1.56
Pawn Shop License	\$ 11,330	7	\$ 2,500	\$ 1,619	0.65



Police Cost Analysis -- Description of Data

- The Police Department provided data for calls in 2006 totaling approximately 161,000, 127,000 of which contained a specific address.
- The data contained a description of the offense, the time the call was sent, the time the call was cleared, and the number of officers responding.
- With the information provided PFM calculated the number of “officer minutes” for each call and for each address.
- The address of the calls was matched with zoning data provided by LIEP to determine the zoning status of an address.
- In addition LIEP provided a list of addresses which had a license issued of the type being examined in this study.

Subject Licenses



License Code	License Type	Number of Licenses in Database*	Number of Licenses from LIEP*
License1	Auto Body Repair/Painting Shop	14	13
License2	Auto Repair Garage	163	162
License3	Cigarette/Tobacco	339	337
License4	Entertainment (A)	45	40
License5	Entertainment (B)	66	72
License6	Entertainment (C)	1	1
License7	Liquor On Sale - 100 seats or less (C)	66	47
License8	Liquor On Sale - Over 100 seats (B)	50	40
License9	Liquor On Sale - Over 200 seats (A)	48	45
License10	Pawn Shop	7	7
License11	Restaurant (A) - 0-12 seats	188	208
License12	Restaurant (B) - more than 12 seats	530	556
License13	Restaurant (C) - Limited	41	39
License14	Retail Fd (A) - Butcher 1-100 sq ft	2	107
License15	Retail Fd (A) - Grocery 1-100 sq ft	104	
License16	Retail Fd (B) - Bakery 101-1000 sq ft	12	142
License17	Retail Fd (B) - Butcher 101-1000 sq ft	1	
License18	Retail Fd (B) - Grocery 101-1000 sq ft	116	
License19	Retail Fd (C) - Bakery 1001-3000 sq ft	13	170
License20	Retail Fd (C) - Butcher 1001-3000 sq ft	1	
License21	Retail Fd (C) - Grocery 1001-3000 sq ft	155	44
License22	Retail Fd (D) - Butcher 3001-6000 sq ft	1	
License23	Retail Fd (D) - Grocery 3001-6000 sq ft	41	
License24	Retail Fd (E) - Grocery 6001-10000 sq ft	5	5
License25	Retail Fd (F) - Grocery Over 10000 sq ft	19	19
License26	Second Hand Dealer - Motor Vehicle	69	71
License27	Second Hand Dealer - Motor Vehicle Parts	14	14
License28	Wine On Sale	76	64
Total		2,187	2,203

Notes:

* Data for 2006



Data Related to Police Calls

	Total	License Eligible		License Eligible	
		No	Yes	With License	No License
<u>Zoning & License Data</u>					
All addresses in database	84,265	66,722	17,543	1,249	16,294
Addresses with calls	27,720	21,188	6,532	1,067	5,465
Addresses with no calls	56,545	45,534	11,011	182	10,829
Officer Minutes*	12,741,229	6,352,336	6,388,893	1,895,089	4,493,804
Calls to addresses in database	120,230				
<u>Police Data</u>					
Call records (with addresses and intersections)	161,203				
Total Officer Minutes	17,003,216				
Total Police Budget	\$64,088,892				
Cost per Officer Minute	\$3.77				
Call records with specific addresses	127,165				
Officer Minutes	13,406,754				

Notes:

* Includes only call records with addresses in both police call database and zoning database

General Approach and Statistical Challenge

- In order to identify the cost of police enforcement, the study calculates the difference in police service for each address based on whether or not the address has a license.
- To do this, the average of officer minutes required in 2006 for each address based on the type of license is calculated and compared to the average officer minutes required for each non-residentially zoned address without one of the subject licenses.
- However, since many address have several types of licenses, simple averages will not account for duplication.
- A tool to calculate the variance among addresses while accounting for duplication is to use regression analysis.

Regression Analysis

- Regression Analysis is a widely used statistical technique aimed at establishing the extent to which there is a relationship between a dependent variable and an independent variable(s).
- For this analysis PFM estimated the individual effects of a particular license on the number of officer minutes per address.

Data Challenges: Causality and Proximity

- **Causality** – determining whether or not the activity generating the police call at a licensed establishment is caused by the establishment holding a license
- Example: If there is a 911 hang up, is that related to the licensed activity?
- **Proximity** – determining the degree to which police calls are attributed to the address responsible for the police call
- Example: A drunk patron leaves a bar and commits an assault one block away. A different address is tagged for the assault and there is no way of tracing the behavior back to the bar.



Data Challenges – Measurement and Time Period

- **Measurement** – determining what fraction of police activity is related to police calls
- Example: A fraction of the Police Budget was used to determine the cost per officer minute. The methodology is explained later in the presentation. \$3.77 per officer minute is the cost used.
- **Time Period** – determining whether or not the time period studied is an accurate snapshot of the police costs of an establishment
- The analysis is of a one year time period and there may be licensed locations that had an unusually small (or large) number of calls during 2006, which deviates from their long run average.



Data Problems

- 500 addresses are zoned in two different ways
- 85 addresses are listed with 2 or 3 of the same license
- 54 licenses are zoned residential and have businesses
- It was also noted by some staff that there are times when the long description does not match the offense report.

Alternative Approaches

- **Current Practice:** This approach is based on intuition and judgment.
- **Survey Police Officers** on time spent per type of licensed establishments. This approach would yield data based on officers' personal experience.
- **Qualitative** analysis. Select a sample of licensed addresses and score police activity. Then select a comparison group of a non-licensed similar business nearby. This would require judgment, be costly and only include certain addresses.

Approach Selected

- Quantitative Analysis of Data
 - Advantages
 - Lots of data
 - Law of large numbers reduces influence of outliers.
 - Description is generally consistent with offense so the impact of incorrect coding is diminished since there are 120,000 plus calls analyzed.
- While imperfect, this seems to be the best available approach.

Regression Results

License Combination	Coefficient	t-value
Any Auto Repair	-53	-0.46
Any Entertainment	2,207***	13.96
Any liquor (not entertainment)	1,413***	6.75
Restaurant A - Not entertainment or liquor	603***	4.49
Restaurant B - Not entertainment or liquor	902***	10.13
Retail Food A	889***	4.95
Retail Food B	1587***	10.18
Retail Food C	2,225***	16.06
Retail Food D thru F	3,112***	14.32
Pawn Shop	679	1.09
Baseline	266	

Notes:

@ Represents officer minutes in addition to the baseline

* Significant at 90%

** Significant at 95%

*** Significant at 99%



Police Budget Adjustment

- The Police Department budget was adjusted to reflect only the costs of the Saint Paul Police Department relevant for license enforcement.
- In consultation with Department staff a list of divisions related to license enforcement (and alarm calls) was created.
- The salary, fringe and overhead costs associated with the divisions deemed related to the enforcement (and alarm calls) yields an adjusted budget.
- The adjusted budget of \$64.1 million, out of a total Police Department Budget of \$79.3 million, is divided by the total number of officer minutes in 2006 for all 161,000 records (approximately 17.0 million minutes). This yielded a cost per officer minute of \$3.77.



Full Cost With Police Cost

Fee Title	Total Cost w/ Police Cost	Revenue	Total Cost/ Revenue
Auto Body Repair/Painting Shop	\$6,825	\$5,148	1.33
Auto Repair Garage	\$25,923	\$11,880	2.18
Second Hand Dealer - Motor Vehicle	\$45,806	\$28,049	1.63
Second Hand Dealer - Motor Vehicle Parts	\$6,406	\$5,544	1.16
Entertainment (A)	\$404,510	\$8,626	46.89
Entertainment (B)	\$598,766	\$38,076	15.73
Entertainment (C)	\$8,520	\$2,500	3.41
Liquor On Sale - 100 seats or less (C)	\$326,741	\$193,941	1.68
Liquor On Sale - Over 100 seats (B)	\$255,096	\$180,731	1.41
Liquor On Sale - Over 200 seats (A)	\$238,369	\$221,413	1.08
Pawn Shop	\$11,330	\$17,500	0.65
Restaurant (A) - 0-12 seats	\$503,584	\$83,128	6.06
Restaurant (B) - more than 12 seats	\$1,570,875	\$319,563	4.92
Retail Food Establishment A: 1-100 Sq. Ft.	\$365,832	\$7,988	45.80
Retail Food Establishment B: 101-1,000 Sq. Ft.	\$754,072	\$14,159	53.26
Retail Food Establishment C: 1,001-3,000 Sq. Ft.	\$1,358,409	\$51,000	26.64
Retail Food Establishment D: 3,001-6,000 Sq. Ft.	\$509,626	\$26,400	19.30
Retail Food Establishment E: 6,001-10,000 Sq. Ft.	\$61,314	\$4,500	13.63
Retail Food Establishment F: Over 10,000 Sq. Ft.	\$230,513	\$24,700	9.33

Conclusion

- Cost of service for License and Permitting, even without police cost is greater than what the City is currently charging.
- The city should develop and have Council approve a cost recovery policy in order to guide a fee adjustment process.
- In addition, the City should institute an ongoing process for annual fee adjustments to ensure that revenues stay in line with costs.

Thank you



- At PFM we have enjoyed working with the City of St. Paul staff. All members have been extremely helpful.